

Workforce Development and Norfolk's Poor

August 22, 2013

Opportunity Inc.

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Hampton Roads' Workforce Development Board

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The Demand Side

Employment by Industry - Percent Employment

<u>Industry</u>	Norfolk		MSA		<u>Industry</u>	Norfolk		MSA	
	<u>% Emp</u>		<u>% Emp</u>			<u>% Emp</u>		<u>% Emp</u>	
Agriculture, etc.	0.0%		0.1%		Real Estate	1.9%		2.0%	
Mining, Oil and Gas	0.0%		0.0%		Professional, & Tech Svcs	7.9%		6.8%	
Utilities	0.5%		0.7%		Management of Companies	1.4%		1.3%	
Construction	3.1%		5.1%		Administrative & Support, etc.	5.0%		6.1%	
Manufacturing	4.9%		8.9%		Educational Svcs	11.6%		10.2%	
Wholesale Trade	2.7%		2.5%		Health Care & Social Asst	16.5%		13.6%	
Retail Trade	9.0%		12.1%		Arts, Entertainment, & Rec.	1.6%		2.3%	
Transportation & Whsing	6.5%		3.4%		Accommodation & Food Svcs	7.9%		10.2%	
Information	2.0%		1.7%		Other Services	2.9%		3.2%	
Finance & Insurance	4.0%		3.0%		Public Administration	10.4%		6.8%	

Employment by Industry Four Quarters Ending June 2013

Shaded areas indicate a 1 percentage point or higher concentration.

Source: Chmura Economics & Analytics, JobSEQ

Employment by Industry - Number of Workers

<u>Industry</u>	Norfolk		MSA		<u>Industry</u>	Norfolk		MSA	
	<u># Emp</u>		<u># Emp</u>			<u># Emp</u>		<u># Emp</u>	
Agriculture, etc.	11		887		Real Estate	2,595		14,028	
Mining, Oil and Gas	0		76		Professional, & Tech Svcs	10,934		48,354	
Utilities	736		4,731		Management of Companies	1,978		9,257	
Construction	4,336		36,124		Administrative & Support, etc.	7,002		43,162	
Manufacturing	6,877		63,718		Educational Svcs	16,093		72,387	
Wholesale Trade	3,695		18,085		Health Care & Social Asst	22,898		96,729	
Retail Trade	12,568		86,246		Arts, Entertainment, & Rec.	2,262		16,426	
Transportation & Whsing	9,108		24,321		Accommodation & Food Svcs	11,049		72,971	
Information	2,834		11,999		Other Services	4,071		22,787	
Finance & Insurance	5,561		21,712		Public Administration	14,463		48,596	

Employment by Industry Four Quarters Ending June 2013

Shaded areas indicate a 1 percentage point or higher concentration.

Source: Chmura Economics & Analytics, JobsEQ

Income Needed to Stay Out of Poverty

Persons in Household	Federal Poverty Guideline	Min. Wage to Stay Above Poverty Level (40 hr/wk)	Work Hours/Week Required at \$7.25/hr to Stay Above Poverty Level
1	\$11,490	\$5.52	30
2	15,510	\$7.46	41
3	19,530	\$9.39	52
4	23,550	\$11.32	62
5	27,570	\$13.25	73
6	31,590	\$15.19	84
7	35,610	\$17.12	94
8	39,630	\$19.05	105

Average Annual Wage by Industry

<u>Industry</u>	<u>Norfolk</u>	<u>MSA</u>	<u>Industry</u>	<u>Norfolk</u>	<u>MSA</u>
Agriculture, etc.	\$35,198	\$32,568	Real Estate	\$38,716	\$41,188
Mining, Oil and Gas	N/A	\$53,467	Professional, & Tech Svcs	\$74,751	\$67,936
Utilities	\$52,789	\$71,058	Management of Companies	\$75,819	\$84,319
Construction	\$48,911	\$45,287	Administrative & Support, etc.	\$47,284	\$32,440
Manufacturing	\$55,660	\$59,604	Educational Svcs	\$41,988	\$38,332
Wholesale Trade	\$56,226	\$55,841	Health Care & Social Asst	\$46,453	\$45,113
Retail Trade	\$25,250	\$24,437	Arts, Entertainment, & Rec.	\$24,444	\$19,737
Transportation & Whsing	\$66,413	\$53,697	Accommodation & Food Svcs	\$15,623	\$15,607
Information	\$56,969	\$52,080	Other Services	\$33,385	\$27,694
Finance & Insurance	\$69,824	\$79,299	Public Administration	\$67,594	\$60,173

Employment by Industry Four Quarters Ending June 2013

Shaded areas indicate a 10% or higher average wage.

Source: Chmura Economics & Analytics, JobSEQ

Job Openings by Education - Norfolk

<u>Education Level</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>5-Yr Avg</u>
No Minimum Education	8.1%	5.1%	8.0%	6.6%	6.0%	6.7%
High School Diploma or Equivalent	43.5%	43.4%	37.9%	32.6%	29.3%	36.2%
Some College, No Degree	1.4%	1.2%	1.4%	1.0%	0.7%	1.1%
Associates Degree or Certificate	7.1%	8.6%	8.2%	7.5%	8.2%	7.9%
Bachelors Degree	32.7%	33.3%	37.3%	44.6%	47.7%	40.3%
Masters Degree	5.6%	6.9%	5.5%	6.6%	6.8%	6.3%
Doctorate or Specialized Degree	<u>1.5%</u>	<u>1.5%</u>	<u>1.7%</u>	<u>1.0%</u>	<u>1.4%</u>	<u>1.4%</u>
Total	100%	100%	100%	100%	100%	100%

Source: Virginia Workforce Connection, Online Advertised Jobs Data

Job Openings by Education - MSA

<u>Education Level</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>5-Yr Avg</u>
No Minimum Education	8.8%	7.3%	8.7%	8.3%	7.3%	8.1%
High School Diploma or Equivalent	46.9%	43.4%	39.7%	36.4%	38.2%	40.4%
Some College, No Degree	1.5%	1.5%	1.2%	1.1%	1.0%	1.2%
Associates Degree or Certificate	7.3%	8.3%	8.2%	7.8%	9.4%	8.3%
Bachelors Degree	29.5%	31.4%	34.9%	38.7%	36.6%	34.8%
Masters Degree	5.0%	6.0%	5.4%	6.2%	6.2%	5.8%
Doctorate or Specialized Degree	<u>1.0%</u>	<u>2.0%</u>	<u>1.9%</u>	<u>1.5%</u>	<u>1.3%</u>	<u>1.5%</u>
Total	100%	100%	100%	100%	100%	100%

Source: Virginia Workforce Connection, Online Advertised Jobs Data

Employment Projections, 10 Year

Industry	Norfolk		MSA	
	% Change	% Change	Industry	% Change
Agriculture, etc.	9%	23%	Real Estate	30%
Mining, Oil and Gas	N/A	32%	Professional, & Tech Svcs	45%
Utilities	25%	32%	Management of Companies	21%
Construction	43%	50%	Administrative & Support, etc.	38%
Manufacturing	13%	20%	Educational Svcs	26%
Wholesale Trade	24%	32%	Health Care & Social Asst	50%
Retail Trade	32%	39%	Arts, Entertainment, & Rec.	46%
Transportation & Whsing	29%	38%	Accommodation & Food Svcs	37%
Information	16%	22%	Other Services	31%
Finance & Insurance	22%	25%	Public Administration	18%

Employment by Industry Four Quarters Ending June 2013

Source: Chmura Economics & Analytics, JobSEQ

Employment Projections, 10 Year

<u>Industry</u>	Norfolk		MSA	
	<u># Change</u>	<u># Change</u>	<u>Industry</u>	<u># Change</u>
Agriculture, etc.	1	202	Real Estate	551
Mining, Oil and Gas	N/A	24	Professional, & Tech Svcs	4,188
Utilities	187	1,510	Management of Companies	291
Construction	1,884	18,241	Administrative & Support, etc.	2,285
Manufacturing	886	12,967	Educational Svcs	3,671
Wholesale Trade	870	5,771	Health Care & Social Asst	9,719
Retail Trade	4,000	33,698	Arts, Entertainment, & Rec.	868
Transportation & Whsing	2,641	9,295	Accommodation & Food Svcs	3,455
Information	444	2,648	Other Services	1,070
Finance & Insurance	1,203	5,465	Public Administration	1,843
				8,788

Employment by Industry Four Quarters Ending June 2013

Source: Chmura Economics & Analytics, JobSEQ

Workforce Development and Norfolk's Poor

The Supply Side

Norfolk's Workforce

- Industry Sector Employment

- Of all Norfolk residents, regardless of income
 - 14.8% work in health care & social assistance
 - 12.6% work in retail trade
 - 11.6% work in educational services
 - 10.8 % work in accommodation & food services
 - 7.9% work in administration & support
- Of Norfolk Residents Making \$1,250/month or less
 - 23.5% work in accommodation and food services
 - 19.3% work in retail trade
 - 12.5% work in health care & social assistance
 - 9.7% work in administration & support
 - 9.3% work in educational services

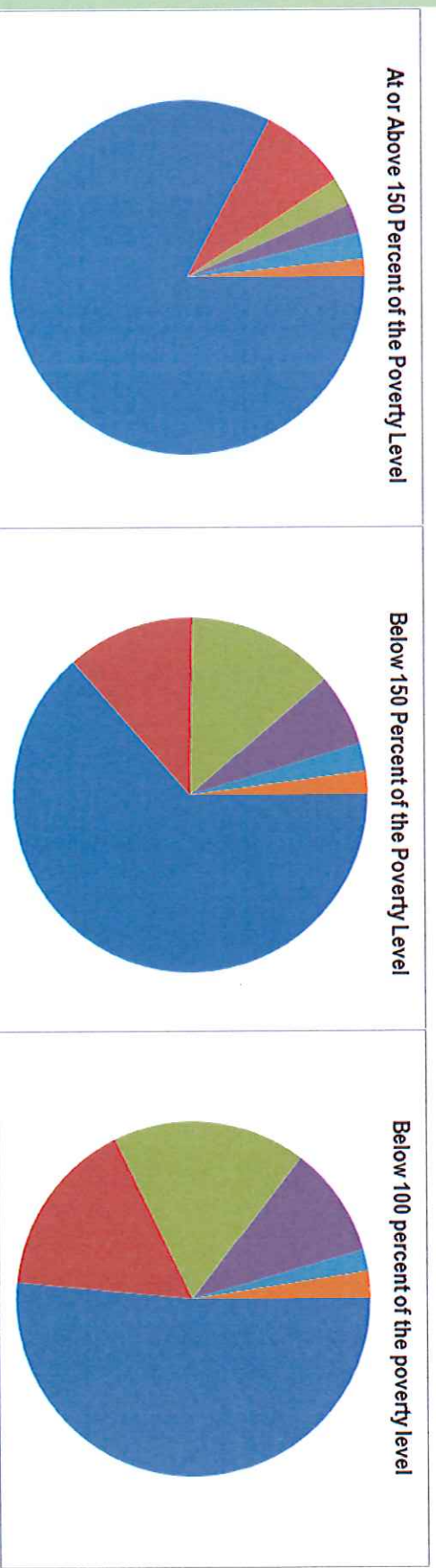
Norfolk's Workforce

- Location of Employment

- Of all Norfolk residents, regardless of income
 - 41.6% work within the City of Norfolk
 - 20.3% work in Virginia Beach
 - 11.9% work in Chesapeake
 - 3.8 % work in Portsmouth
 - 22.4% work in other localities
- Of Norfolk Residents Making \$1,250/month or less,
 - 40.4% work within the City of Norfolk
 - 21.3% work in Virginia Beach
 - 12.0% work in Chesapeake
 - 3.8% work in Portsmouth
 - 22.5% work in other localities

Norfolk's Workforce

- Commuter Mode of Transportation



Norfolk's Workforce

- Population Below Poverty Level

POVERTY STATUS IN THE PAST 12 MONTHS BY SEX BY AGE				
	Norfolk		MSA	
	Number	Percent	Number	Percent
Under 5 years	4,557	11%	23,019	12%
5 to 18	9,409	23%	45,224	24%
18 to 64	25,221	61%	110,281	58%
Over 64	2,158	5%	10,907	6%
Total	41,345	100%	189,431	100%

Norfolk's Workforce

– Educational Attainment, in Poverty

	Norfolk		MSA	
	Number	Percent	Number	Percent
Less than high school graduate	5,464	29%	21,783	24%
High school graduate (includes GED)	6,177	32%	29,424	32%
Some college, associate's degree	5,310	28%	28,644	32%
Bachelor's degree or higher	2,165	11%	10,884	12%
Total	19,116	100%	90,735	100%

Note: Total Population – Norfolk (220,228)/ MSA (1,614,663) and Population in Poverty – Norfolk (41,345)/ MSA (189,431)

Source: U.S. Census Bureau, 2011 American Community Survey

Universe: Population 25 years and over for whom poverty status is determined

Norfolk's Workforce

– Educational Attainment, in Poverty

- Norfolk jobs have a higher educational requirement than jobs elsewhere in the region.
- More than 75% of Norfolk Job Openings require a High School Diploma (29.3%) or BS Degree (47.7%).
- Fewer than 7% of Norfolk job openings have no minimum educational requirement (average 91 openings/ month).
- Of Norfolk residents in poverty, 29% have less than a high school degree.

Norfolk's Workforce

- Employment Status, in Poverty

Total Pop 16+		28,224			
	Number	Percent		Number	Percent
Male	11,969		Female	16,255	
In labor Force	5,746	48%	In labor Force	8,831	54%
Employed	3,687	64%	Employed	6,409	73%
Unemployed	2,059	36%	Unemployed	2,422	27%
Not in LF	6,223	52%	Not in LF	7,424	46%

Source: U.S. Census Bureau, 2011 American Community Survey Universe: Civilian population 16 years and over for whom poverty status is determined

Norfolk's Workforce

- Work Experience, in Poverty

Total 16+	28,455	
Work Experience	Number	Percent
Worked Full Time, Year Round Last 12 Months	3,345	12%
Worked Part Time, or Part Year Last 12 Months	10,244	36%
Did not Work	14,866	52%

Source: U.S. Census Bureau, 2011 American Community Survey Universe: Civilian population 16 years and over for whom poverty status is determined

Norfolk's Workforce

- Disability and Incarceration

- Disability Status. Of the population 18-64, in poverty
 - 4,334 have a disability
 - 1,240 are in the labor force
 - 723 employed
 - 517 unemployed
 - 3,094 are not in the labor force
- Incarceration
 - Norfolk's municipal jail houses the largest daily population of any jail in the region - 1,411

Summary of Poverty in Norfolk

- Poverty is associated with age
 - Of the 41,345 individuals in Norfolk below the poverty level:
 - 1/2 (21,700) half are under 25 years of age
 - 1/3 (13,966) are children under the age of 18
 - Of adults in poverty, 1/3 (8,263) are concentrated in the 6-year 18-25 age group (versus 2/3 in 25-64, a 40 year span)
 - A significant number of children are living near poverty.
 - 28% of Norfolk's children considered to be below the poverty level. However, 66% of Norfolk Public School children receive free (58%) or reduced (8%) lunches

Summary of Poverty in Norfolk

- Poverty is as much about the quality as quantity of employment
 - Half of the adults in poverty work full or part time
 - Workers making \$1250/mo or less commute to other localities in similar to Norfolk residents earning more

Summary of Poverty in Norfolk

- Poverty is about educational attainment
 - Adults in poverty do not have the education required for most job openings within the city or region
 - Norfolk has the second lowest standard HS completion rate (77%) after Franklin (72%). That rate is lower by gender and race for some groups

Challenges and Opportunities

- Vertical development and urban center for the region impacts types of jobs – constrained economic opportunity
 - Increase mobility of Norfolk residents to job opportunities in the region
 - Strategies that support employment “in the neighborhood”
 - Build on industry sectors where Norfolk has strongest job forecast (sector strategies)

Challenges and Opportunities

- Adults with low academic performance
 - Develop workforce literacy/readiness classes offered in conjunction with or in lieu of adult basic education
 - Utilize libraries and other city assets in a non-traditional way as centers for learning and workforce development
 - Computer labs and computer training
 - Partnerships with academic institutions

Challenges and Opportunities

- Adults ready for employment or additional occupational training
 - Utilize existing agencies and local companies (apprenticeships)
 - Recognize that individuals need **preparation** for job search, i.e., a resume, knowledge of job applications, interviewing skills, career counseling and guidance
 - Job Fairs, internships, job shadowing are not helpful and can actually be counter-productive if an individual is not prepared to put their best self forward!

Challenges and Opportunities

- Adults work one or two jobs but are still in poverty
 - Commit resources to up-skill individuals who work but need more training and support to advance
 - Lobby for an increase in the minimum wage or Earned Income Tax Credit.
 - Community resources for child care, transportation and affordable housing (rebuild the middle class)

Challenges and Opportunities

- Employers are unable to find the employees they need
 - Credential creep
 - Industry specific experience
 - On-the-job training
 - Criminal record

Challenges and Opportunities

- Growing Up in Poverty (66% of Norfolk school students receive free or reduced lunch!)
 - 0-5 health, nutrition and developmental preparation
 - Universal Pre-K
 - Community Learning Centers
 - Strong academic preparation
 - Strong Career Guidance and Career pathways
 - Educating parents and child care providers

Challenges and Opportunities

- Growing Up in Poverty (66% of Norfolk school students receive free or reduced lunch!)
 - Developing strong career and technical education
 - Commitment and resources to science and math
 - Worry less about classes/grades/teachers and more about mastery/skills/learning
 - Without adequate education, poverty is almost guaranteed
 - Long-term poverty reduction strategy - creating a school system that prepares the next generation for workplace success.

QUESTIONS AND COMMENTS

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